

Appendix A

Funding and Eligibility Criteria

Eligible Properties

- All existing social housing as defined by the Housing and Regeneration Act 2008 (S68-70), below EPC C1, owned by eligible Applicants, regardless of archetype.
- A small number of homes not meeting this definition may be funded on an infill basis - see 'homes at EPC C or above' and 'non-social homes'.
- Homes both on and off the gas grid are eligible for funding.

Homes at EPC C or Above

- Where a small number of properties in a block or terrace are at EPC Band C or above (for instance – a tower block/low rise with a small number of properties at EPC Band C or above due to individual home upgrades, with the vast majority of homes in the block being below EPC Band C), they can be included where they enable effective works to social housing below EPC Band C.
- A minimum of 90% of social homes across the overall application must be below EPC Band C.

Non-social Homes

- Where a small number of properties in a block or terrace are non-social homes (for instance – a tower block/low rise with a small number of non-social homes, with the vast majority of homes in the block being social homes), they can be included where they enable effective works to social housing.
- A minimum of 70% of homes across the overall application must be social homes.

Minimum Bid Size

- All Wave 2.1 proposals will be required to include a minimum of 100 eligible social housing properties at EPC band D-G per bid.
- Applicants wishing to apply to Wave 2.1 with fewer than 100 eligible social housing properties at EPC band D-G must submit a bid as part of a consortium, with this consortium bid meeting the minimum threshold.

Eligible Installers

- Applicants should provide details of their contractors and procurement status.
- All installers are required to be TrustMark Registered or equivalent, and compliant with corresponding requirements.

Safety and Quality

- Applicants must adhere to all relevant building and construction product regulations and requirements, in particular those that are considered safety critical and in line with industry best practice.
- Applicants are required to detail their adherence to all appropriate safety and construction standards in line with PAS2030:2019 and PAS2035:2019.

Performance Outcomes

- Properties must reach Energy Performance Certificate (EPC) Band C, or EPC Band D where this is not possible for EPC F/G properties, upon completion of works.
- Consideration should be given to improving properties to a space heating demand level of 90 kwh/m2/year where reasonable and cost effective.

Eligible Measures

- A fabric first approach (of insulation and heat loss prevention measures) to works is required.
- Eligible measures are any energy efficiency and heating measures compatible with the Standard Assessment Procedure (SAP) that will help improve the energy performance of homes, excluding heating systems which are solely fuelled by fossil fuels.

Co-funding

- BEIS will require at least 50% of total eligible costs to be provided by the Applicant.

Cost Caps

- Cost caps will be scaled by starting EPC Band of the home, and wall type of the home.
- .For homes situated off the gas grid, an additional cost cap for low carbon heating will be available, on top of the energy efficiency cost cap.

Admin & Ancillary Costs

- Due to the scale and size of the projects, Applicants are expected to have administration and ancillary (A&A) costs associated with the delivery of the project. A&A costs are expected to be as low as possible, with a requirement that grant funding for A&A comprises less than 15% of total grant funding (with total grant funding including both grant funding for capital costs for retrofit works and grant funding for A&A). We expect that total costs for A&A (grant funding for A&A + co-funding for A&A) will comprise less than 15% of the total project costs (total grant funding + total co-funding, including both capital costs for retrofit works and A&A costs)

SHDF Wave 2.1 cost caps (inclusive of VAT) Average spend (excluding A&A)

	Wall type	Maximum grant funding ('cost cap')	Minimum co funding if maximum grant funding utilised	Total spend if utilising maximum grant funding and minimum associated co funding⁷
EPC D	Solid wall	£10k	£10k	£20k
	Cavity wall	£5k	£5k	£10k
EPC E	Solid wall	£12k	£12k	£24k
	Cavity wall	£7.5K	£7.5k	£15k

EPC F/G	Solid wall	£16k	£16k	£32k
	Cavity wall	£10k	£10k	£20k

7 Please note: cost caps should not be maximised unless necessary